



Envision Arlington Diversity Task Group

Date: March 14, 2024

Time: 6:45 pm - 9:00 pm (official meeting start at 7PM)

Remote Participation, via Zoom

Present - Rebecca Gruber, Steve Revilak, Michele Oshima, Jane Flores, Kellye Eversole, Elizabeth Dray (minutes), Laura Kiesel, Lynette Culverhouse (facilitator), Mona Mandal, Len Diggins

Agenda

1. Land Acknowledgement, Review of Mission Statement and Group Meeting Protocols
2. Check-in and introduction of new attendees
3. Approval of February meeting minutes
4. Call for additional agenda items
5. Update on housing in Arlington
6. Discussion about DTG response re: Town Meeting warrant articles
7. Update on projects
8. Promote and report back on Arlington-based programs
9. New business
10. Agenda for next time / Confirm Facilitator and Scribe

Minutes

1. Land Acknowledgement, Review of Mission Statement and Group Meeting Protocols

Land Acknowledgement was read, skipped review of Mission Statement and Group Meeting Protocols due to familiarity of participants.

2. Check-in and introduction of new attendees was done.

3. Approval of February meeting minutes Unanimous approval with amendment of people present; people who were not present at the February meeting abstained.

4. Call for additional agenda items

Add - Discussion about maintaining or closing DTG website due to financial costs and maintenance required.

5. Update on housing in Arlington - "Let's talk about housing" Steve Revilak, presenter

1. Steve reviewed his housing experience in Arlington since 1993
2. Reviewed how housing market has changed over time
 - a. comparing a sample of house sales in 2022 to their previous sale price, adjusted
 - b. Average home and condo prices in 2022, 2-3 times as expensive as 1970-1990's
 - c. Average rent in 2024
3. How did we get to the current housing cost in Arlington
 - a. Reviewed housing policies starting in 1917 including:
 - i. 1920's - use of racial covenants in Arlington deeds to restrict land use
 - ii. 1930's - redlining, 30 year mortgages for white individuals
 - iii. 1968 Fair Housing Act - to try to stop discrimination in housing
 - iv. Late 1960's - mid 1970's - downzoning to restrict multi-family housing, promoted large lots and bigger houses to increase prices - attracted wealthier (white) home buyers and increased property taxes.
 - v. 1973 - Arlington's apartment moratorium. Movement to desegregate Boston schools.
 - vi. 1975 - Comprehensive rewrite of Arlington zoning laws to limit population growth of town. Took existing structures and created zoning districts around what they were at that time. Created 6 different business zones, chopped up zoning.
 - vii. 1977 - Arlington voted in a non binding referendum to reject the extension of the Red Line T
 - viii. 1994 - Rent Control Prohibition Act
 - ix. 2021 - Housing Choice and MBTA Communities to try to create more housing stock
 - b. Summary - We have a product that is highly regulated to produce, but with an unregulated selling price which can lead to high prices. Some of the housing policies were discriminatory so some benefited and some suffered from them.
4. Affordable Housing
 - a. Capital "A" Affordable - Main components of rules:
 - i. Income restrictions
 - ii. Affirmatively furthering Fair Housing Marketing Plan
 - iii. Ongoing compliance procedures such as income verification
 - b. Require subsidies to cover funding/money gap to build:
 - i. Inclusionary Zoning since 2001-ish - requires 1 out of 6 units built to be affordable
 1. Market rate units subsidize income restricted units
 2. Typically creates 2-3 units/year
 3. Only triggered when buildings have 6+ units
 4. Little cost to the Town
 5. Question: Do you feel builders are underbuilding to avoid this?
Answer: No
 - ii. Comprehensive Permit Act (Ch 40 B)
 1. Allows builder to request waivers to help with economics of project

2. If Town has not met the Safe Harbor threshold then they lose some control because they must defer to builder needs.
3. Little to no cost to the Town
- iii. Federal and State Funds
 1. For example, Housing Corporation of Arlington's Downing Square project.
 2. Need to work with affordable housing developers who know how to pursue the funds. Things they need:
 - a. Suitable large sites around ½ acre - a challenge for Arlington
 - b. Predictable permitting process
 - c. Funding up front
 - d. Alignment with what the community wants.
5. See presentation slide deck attached to these minutes.
6. Questions/Comments
 - a. Question: Owner occupied units - what does that mean? Answer:
 - i. A - Purchase price to own rather than rent.
 - ii. Subsidized by market price of other units. No Federal subsidy.
 - iii. Eternally affordable, can't be sold in the future at market rate.
 - b. Question/Comment: Small houses are being replaced by mansions, a more or less affordable house is taken off the market and replaced by a house that costs 2x as much, changing the demographic of the town by squeezing out middle earners. Would rather have them build a 2-3 unit apartment building and make one of them affordable rather than one huge house. Is there any way around this through bylaws on environmental grounds or zoning bylaws? Answer:
 - i. Much of town is limited to single family homes; we would need to change the inclusionary zoning rate. Would need to have justification for the new number. MBTA C - still waiting to see if the State will let us use our 15% IZ in these zoning areas. State is at a 10% IZ.
 1. Dover has a 25% IZ and it has not built any affordable housing.
 - c. Question/Comment: The downside to not allowing someone who buys an Affordable house to sell it for market price. Lose their opportunity to build equity. Would prefer to get rid of 1 and 2 family zoning.
 - d. Question/Comment: I live in the MBTA C area - since then I have received lots of calls of people interested in buying my home.
 - e. Question/Comment: Would like to see opportunities of pooling for funds for down payments, creative solutions to increase diversity here in Arlington.
 - f. Question/Comment: Are there people out there willing to purchase the smaller houses to keep them small and rent them out?

6. Discussion about DTG response re: Town Meeting warrant articles What can DTG do?

1. Laura Kiesel is here to discuss warrant article 17, proposed by Paul Schlichtman to prohibit no pet policies for renters and condo owners.
 - a. What is happening with affordable housing units in Arlington?

- i. HUD requires that AHA must allow some pets (quantity and animals vary).
 - ii. HCA allows pets.
- b. What is the history/reason behind it?
 - i. We would be the first MA town to pass, others across the country have done this.
 - ii. In wake of COVID, there are many evictions and housing costs are skyrocketing, lower income renters can't find housing that allows them to keep their animals, high euthanasia rates.
 - iii. Even service animals are being rejected, which violates housing laws.
 - iv. Being used to discriminate against and deny disabled people their legal right to service/emotional support animals.
- c. Is it just pets or is it service/emotional support animals?
 - i. We are supposed to have that right to service/emotional support animals, but people are being denied the right
- d. Equity issue about access to homes - disproportionately affects lower income renters, they tend to be disabled, non-white.
- e. Comment: This does not seem to fall under DTG as there are laws regarding this issue that have not been enforced. Would rather see DTG get involved in things with proof that it has unreasonably harmed minorities and we don't have it. Stretches the bounds of what we do. Answer:
 - i. Yes, there is proof. Lots of articles/facts; reports that she has written.
 - ii. I think it does impact DEI issues and is related.
- f. Question: Is there a letter of support from MSPCA? Answer: Yes
- g. Question: Does DTG even have the power to weigh in on warrant articles? Does it have to be vetted by EASC? Answer:
 - i. It will be a two step process. First DTG decides, and then EASC approves.
 - ii. We as individuals can write a letter of support as a participant of DTG.
 - iii. Proposed to discuss and vote on support at next meeting then bring to EASC.

7. Update on projects -

Elizabeth reported back that efforts to get the Arlington Civilian Advisory Board to have their initial meeting were successful.

8. Promote and report back on Arlington-based programs - no reports

9. New business -

Discussion on whether to continue paying for a DTG website. Paying around \$75/year, but the website currently really only has a contact link to the DTG email box and an out-of-date link to the Town calendar for upcoming meetings. No one seemed interested in taking on the maintenance of the website. Unanimously voted to close website.

10. Agenda for next time / Confirm Facilitator and Scribe

April Facilitator - Sarah M

Scribe - Lynette C

Agenda for April

1. Land Acknowledgement, Review of Mission Statement and Group Meeting Protocols
2. Check-in and introduction of new attendees
3. Approval of March meeting minutes
4. Call for additional agenda items
6. Discussion about DTG response re: Town Meeting warrant articles and Voting on DTG support of Article 17.
7. Update on projects
8. Promote and report back on Arlington-based programs
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Let's talk about housing

Steve Revilak

March 14, 2024

My Housing Story

Year	Type	Cost	2024 dollars
1993	1BR Split	\$650/month	\$1,405
2002	Studio	\$875/month	\$1,523
2005	2BR Apt	\$1,300/month	\$2,102
2007	2BR House	\$359,000	\$523,500
2024	Mortgage paid	\$740/month	\$740
???	???	???	???

House purchase was \$159k downpayment + \$200k mortgage @ 6.25%.

Current mortgage @ 3.25%; monthly payments of \$1,650.

Zillow estimates the home is worth \$719,600.

Without mortgage, housing costs are \$5500/year taxes, \$1900/year flood insurance, \$1500/year home insurance \approx \$740/month.

Some Arlington Home Sales (2022)

Recent Price	Prev Sale	Prev Sale Price	2024 Dollars
\$725,000	1972	\$33,000	\$242,300
\$885,000	1973	\$32,000	\$218,800
\$1,510,000	1976	\$72,000	\$386,800
\$1,045,000	1977	\$48,000	\$241,900
\$750,000	1980	\$71,600	\$265,100
\$925,000	1981	\$95,000	\$317,400
\$900,000	1983	\$105,000	\$323,200
\$1,255,000	1986	\$200,000	\$562,300
\$1,327,000	1992	\$240,000	\$525,300
\$1,450,000	1995	\$337,500	\$680,800
\$885,000	1998	\$262,000	\$494,500

Selection of 2022 real estate sales listed in the Arlington Advocate. Prices rounded to nearest \$100.

Note: these are all used homes.

A Realtor's Summary (2022)

Single family homes:

- ▶ Avg Sale price: \$1,236,000
- ▶ Sale/list ratio: 108%
- ▶ 16% year-over-year price appreciation
- ▶ \approx 7% new construction

Condominiums:

- ▶ Avg Sale price: \$790,000
- ▶ Sale/list ratio: 102%
- ▶ 12% year-over-year price appreciation
- ▶ \approx 6% new construction

<https://www.mapropertiesonline.com/arlington-market-review-2022>

Arlington Rents (early 2024)

Type	Avg Rent	Avg Size
Studio	\$2,258/month	501 sq ft
1BR	\$2,308/month	635 sq ft
2BR	\$3,459/month	1,292 sq ft
3BR	\$4,705/month	1,472 sq ft

<https://www.apartments.com/rent-market-trends/arlington-ma/>

Discussion

Housing prices in Arlington are

1. Kind of expensive
2. Cost 2–3x more than the 1970s–1990s

How'd we get here?

Housing (and related) Policies

- ▶ 1917 - Wilson Administration's Own Your Own Home Campaign
- ▶ 1920's - Use of racial covenants in Arlington deeds
- ▶ 1924 - Arlington adopts its first Zoning bylaw
- ▶ 1930's - Federal Housing Administration, 30 year mortgage, redlining
- ▶ 1940's - GI bill (mortgage assistance)
- ▶ 1950's - Interstate system, suburban sprawl, white flight
- ▶ 1968 - Fair housing act
- ▶ 1969 - Mass. "Anti-snob zoning act" (aka Chapter 40B)
- ▶ Late 1960's - mid 1970's: Metro Boston's great downzoning
- ▶ 1973 - Arlington's apartment moratorium
- ▶ 1974 - Boston ordered to desegregate public schools
- ▶ 1975 - Comprehensive rewrite of Arlington zoning bylaws
- ▶ 1994 - Mass. Rent Control Prohibition Act (Chapter 40P)
- ▶ 2021 - Housing Choice & MBTA Communities requirements

Affordable Housing

Three components of Capital-A Affordable Housing

1. Income Restrictions (typically a percentage of the Area Median Income, or AMI)
2. Affirmatively Furthering Fair Housing Marketing Plan
3. Procedures to ensure ongoing compliance (e.g., income verification)

Markets are tools, and very useful for certain things (e.g., producing goods).

Markets are not effective tools for producing things and selling them at a loss.

Affordable Housing Requires Subsidies

Affordable housing (in general) = housing for occupants that can't pay the cost to build/purchase/maintain/operate the units.

There's a funding gap, which has to be filled somehow.

First Axiom of Affordable Housing:

No subsidy → No affordable housing

(We'll talk about different forms of subsidization soon.)

2023 HUD Income Limits

2023 Median family (of four) income = \$149,300 for the Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area.

Persons	80% AMI	50% AMI	30% AMI
1	\$82,950	\$51,950	\$31,150
2	\$94,800	\$59,400	\$35,600
3	\$106,650	\$66,800	\$40,050
4	\$118,450	\$74,200	\$44,500

“Affordable” means no more than 30% of income spent on housing (aka “non-cost burdened”)

<https://www.huduser.gov/portal/datasets/il.html>

Subsidy #1: Inclusionary zoning (IZ)

Market rate units subsidize income-restricted units. Little/no direct cost to municipality.

Arlington Requirements:

- ▶ In new multi-family housing of 6+ units, 15% must be Affordable.
- ▶ Rental units. Priced at 60% of AMI, available to households earning 70% AMI.
- ▶ Owner-occupied units. Priced at 70% of AMI, available to households earning 80% AMI.
- ▶ Arlington's IZ typically produces 2–3 inclusionary units/year.

Discussion: what opportunities does Arlington provide for 6+ unit apartments or mixed-used buildings?

Inclusionary Zoning Subsidy Example

Small apartment building, with six 2BR apartments.

Unit #	All market rent	rents with IZ
1	\$3,459	\$3,750
2	\$3,459	\$3,750
3	\$3,459	\$2,004
4	\$3,459	\$3,750
5	\$3,459	\$3,750
6	\$3,459	\$3,750

\$3,459 = apartments.com avg 2BR rent for Arlington.

\$80,160 = 60% AMI for family of three.

Subsidy #2: Comprehensive Permit Act (Ch 40B)

Chapter 40B §20–23, plus regulations in 760 CMR 56.

- ▶ Enacted in 1969, to help ensure that fair housing laws could apply to suburbs.
- ▶ Seeks to balance the desire for local control with the regional need for low- and moderate-income housing.
- ▶ Allows applicants to request waivers from local requirements that would make a development uneconomic.
- ▶ When a community has met safe-harbor thresholds, deference is given to the community's desire for local control.
- ▶ When a community has not met safe-harbor thresholds, deference is given to the regional need for low- and moderate-income housing.

Comprehensive Permit Act (cont'd)

Chapter 40B

- ▶ Typically have 25% of units priced for 80% AMI
- ▶ Typically a mix of 1–3 bedrooms
- ▶ Little/no direct cost to the municipality

Recent 40B projects in Arlington

- ▶ 1165R Mass Ave (124 rental units)
- ▶ 1021–1025 Mass Ave (50 ownership units)
- ▶ 10 Sunnyside Ave (Housing Corp of Arlington, 43 rental units)
- ▶ Thorndike Place (6 duplexes + 124 units of senior housing)

(353 units permitted by ZBA since 2021)

Subsidy #3: Federal and State Funds

Funding for the Housing Corporation of Arlington's Downing Square/Broadway initiative:

- ▶ 83% State and Federal Subsidies (approx \$22M)
- ▶ 13% Mortgage
- ▶ 4% Town subsidy

In the first eight months of 2022, DHCD awarded \$435M to affordable housing developers for 52 projects in 31 communities. There were no funding requests from Arlington.

Source: Affordable Housing Trust Fund board presentation to ARB, Jan 8, 2024

Federal and State Funds (cont'd)

There are affordable housing developers that know how to pursue these funds. Things they need:

- ▶ Suitable sites. Generally need a 30–40+ unit project to get access to these funds.
- ▶ Permits. A predictable permitting process (e.g., Affordable Housing Overlay, friendly 40B)
- ▶ Funding. Subsidies for up-front soft costs, needed to pursue larger state and federal grants.
- ▶ Alignment. A clear, consistent indication of what the community wants, and what it will offer to support the development.

30–40 unit projects generally need 20,000+ square foot lots (around half an acre). There are over 100 such parcels in Arlington's single- and two-family districts.

Resources

- ▶ Segregated by Design
<https://www.segregatedbydesign.com/>
- ▶ Mapping Inequality
<https://dsl.richmond.edu/panorama/redlining/>
- ▶ MBTA Communities
<https://commonwealthmagazine.org/opinion/what-the-mbta-communities-law-means-for-your-town/>
- ▶ Exclusionary by Design
<https://www.tbf.org/news-and-insights/reports/2023/november/exclusionary-by-design-report>
- ▶ Route 128: Boston's Road to Segregation
<https://eric.ed.gov/?id=ED118666>
- ▶ The Color of Law (Richard Rothstein)
- ▶ Neighborhood Defenders (Einstein, Glick, Palmer)